

## SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2022

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
Small Industries Development Bank of India (SIDBI)  
Corp. Office: SIDBI, Swavalamban Bhavan,  
C-11, G-Block, Bandra-Kurla Complex, Bandra East,  
Mumbai - 400051, Maharashtra, India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Small Industries Development Bank of India** (hereinafter called the SIDBI).

Based on my said verification of the SIDBI's books, papers, minute books, forms and returns filed and other records maintained by the SIDBI and also the information provided by the SIDBI, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the SIDBI has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2022 ('Audit Period') complied with the statutory provisions listed hereunder and also that the SIDBI has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the SIDBI for the financial year ended on 31<sup>st</sup> March 2022 according to the provisions of:

- (i) The Small Industries Development Bank of India Act, 1989 (SIDBI Act, 1989)
- (ii) Small Industries Development Bank of India General Regulations, 2000;
- (iii) The Companies Act, 2013 (the Act) and the rules made thereunder as amended; (Not Applicable to SIDBI during the Audit Period)
- (iv) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder as amended; (Not Applicable to SIDBI during the Audit Period)
- (v) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder as amended; (Not Applicable to SIDBI during the Audit Period)
- (vi) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable to SIDBI during the Audit Period)



(vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): –

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; *(Not Applicable to SIDBI during the Audit Period)*
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; *(Not Applicable to SIDBI during the Audit Period)*
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2015; *(Not Applicable to SIDBI during the Audit Period)*
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 *(Not Applicable to SIDBI during the Audit Period)*;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(Not Applicable to SIDBI during the Audit Period)*
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; *(Not Applicable to SIDBI during the Audit Period)*
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not Applicable to SIDBI during the Audit Period)*; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(Not Applicable to SIDBI during the Audit Period)*;

I have also examined compliance with the applicable clauses of the following:

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India. Since minutes are under process, the Secretarial standards are not completely complied. *(Not Applicable to SIDBI during the Audit Period)*
- (b) The Listing Agreements entered into by the SIDBI with the Stock Exchange viz NSE Ltd along with Reg. 15 to 27 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as applicable for respective periods.

During the period under review, SIDBI has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.



**I further report that:**

- The Board of Directors of the SIDBI is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the resolutions were passed with consent of majority Directors

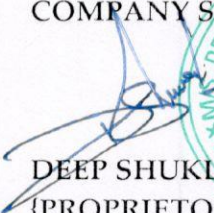
**I further report that:**

- there are adequate systems and processes in the SIDBI commensurate with the size and operations of the SIDBI to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

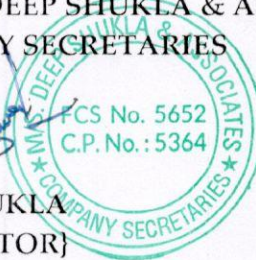
I further report that during the audit period there were no specific events/actions having a major bearing on the SIDBI's affairs in pursuance of the above referred laws, rules, guidelines and standards.

Place: Mumbai  
Date: 23.05.2022

For: M/s. DEEP SHUKLA & ASSOCIATES  
COMPANY SECRETARIES

  
DEEP SHUKLA  
{PROPRIETOR}

FCS: 5652  
CP NO.5364  
UDIN: F005652D000367631



**Annexure to Secretarial Report and forming part of the report**

To,  
**The Members,**  
**Small Industries Development Bank of India (SIDBI)**  
Corp. Office: SIDBI, Swavalamban Bhavan,  
C-11, G-Block, Bandra-Kurla Complex, Bandra East,  
Mumbai - 400051, Maharashtra, India.

I further state that my said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the SIDBI. My responsibility is to express an opinion on these records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the SIDBI.
4. Wherever required I have obtained *orally*, the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination is limited to the verification of procedures on test basis and shall not stand responsible for any non-compliance.
6. The Secretarial Audit report is neither an assurance as to the future viability of the SIDBI nor of the efficacy or effectiveness with which the management has conducted the affairs of the SIDBI.

***Disclaimer:*** *The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Further, based on clarification received from concerned officials, SIDBI is a separate statute, and it is governed by SIDBI Act, 1989 and SIDBI regulation, 2000. Thus, provisions of SIDBI Act are preferred over the applicability of the regulations 15 to 27 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*



**Advisory Note:** It is advised to get a clarification from relevant regulatory body on scope/applicability of Regulations 15 to 27 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, including exemptions thereof.

For: M/s. DEEP SHUKLA & ASSOCIATES  
COMPANY SECRETARIES

FCS No. 5652  
C.P. No.: 5364

DEEP SHUKLA  
{PROPRIETOR}

FCS: 5652

CP NO.5364

UDIN: F005652D000367631

Place: Mumbai  
Date: 23.05.2022